

WHAT'S INSIDE THIS WEEK

- ~ ETFs in Focus: GLD
- ~ ETF News in Brief
- ~ Chart of the Week: TLT

SNAPSHOT

This week read similar to last week in general trends. The equity markets continued their march higher from the early month sell off. The return distributions were very similar indeed, same for a few exceptions I will highlight. A surge overseas on Sunday night into Monday morning set the stage for a 2.25%+ rally to start the week. Comments from the G20 meeting over the weekend was the catalyst. Wednesday saw many global equity market indices press through to new highs for the year, but not close there. The following day pulled global equities off some 1% on concerns of double tops in some key asset groups that have a high correlation to equity markets, specifically the euro currency (FXE), which gained 0.5% on the week, but failed at the year's highs and a major psychological 1.50 level. Economic reports were non-events this week. US Treasury Budget statement and Trade Balance reports surprised to the downside. Trade Balance increased on an increase in import prices and demand for oil. Univ. Michigan consumer confidence unexpectedly fell to the lowest level since April. Monday's Retail Sales number should cause some excitement in trading to start the week. PPI and CPI numbers may cause a bit of sensitivity in bond prices, but I wouldn't expect much right now. That seems to be reserved for Fed interest rate comments.

International developed market shares (EFA) advanced the equivalent of US shares measured by the S&P 500 (SPY), approximately 2.4%. Financials (XLF) also matched this advance after lagging slightly last week. The Nasdaq 100 tech index (QQQQ) sprung higher on the back of an almost 5% gain in semiconductors, which responded positively to a settlement/agreement between two of the markets leaders in Intel (INTC) and Advanced Micro Devices (AMD). Japanese shares (EWJ) continued to struggle, falling 0.4% for the week, and resting 7.8% off highs of the year. Emerging markets set the pace again this week, as the MSCI Emerging market index advanced 3.5%. Russia (RSX) led as shares of the oil producing country rose 6.3%. India (INP) was a leader as well, posting a 5.4% gain as Industrial production posted 2% higher than expected. In a divergence from last week, Brazil barely posted positive numbers...

Continued on page 3.

ABOUT THE AUTHOR

ROBERT STEIN *Managing Partner*

As the managing partner of Astor Asset Management (www.astorllc.com), Rob Stein doesn't just talk the talk about Exchange Traded Funds, he has developed several successful investment programs that invest exclusively in ETFs for clients of Astor Asset Management. Mr. Stein began his career as a project analyst for the Federal Reserve. He has held senior trading or portfolio management positions with major money center banks. In 1994, he formed Astor Financial, LLC, and later formed Astor Asset Management, LLC. Mr. Stein is often featured in major print and broadcast business news media, and is the author of *The Bull Inside the Bear* ([available on Amazon.com](http://available.on.amazon.com)), as well as *Inside Greenspan's Briefcase*, and *Charting a Profitable Investment Course with Active Management*.



WEEKLY RECAP

SYMBOL	DESCRIPTION	1 WEEK	MTD	YTD
US-BROAD BASED				
SPY	SPDR TRUST SER 1	2.32%	5.85%	23.64%
IWM	ISHARES-RUS 2000	1.12%	4.26%	20.39%
QQQQ	POWERSH-QQQ	3.31%	7.45%	48.55%
US SECTOR				
IYR	ISHARES-DJ REAL	6.25%	6.51%	21.40%
XRT	SPDR S&P RETAIL	2.05%	4.89%	74.99%
XLE	SPDR-ENERGY SEL	0.33%	3.66%	21.69%
XLF	SPDR-FINL SELECT	2.45%	4.34%	19.30%
COMMODITIES				
GSG	ISHARES S&P GSCI	-0.67%	0.42%	9.19%
OIL	IPATH GS CRD OIL	-1.49%	-0.62%	11.04%
UNG	US NAT GAS FD LP	-4.93%	-11.78%	-60.90%
DBA	POWERSHARES DB A	0.12%	-0.08%	-2.41%
INTERNATIONAL				
EFA	ISHARES-MSCI EAF	2.49%	5.78%	28.32%
EEM	ISHARES-EMG MKT	3.51%	9.24%	65.69%
FXI	ISHARES FT/XI CH	2.74%	8.83%	57.41%
EWJ	ISHARES-JAPAN	-0.42%	0.31%	0.54%
BONDS				
IEF	ISHARES 7-10 YR	0.52%	0.07%	-4.16%
LQD	ISHARES-IBOXX IV	0.66%	0.77%	9.47%
JNK	SPDR BARCLAYS	0.45%	1.16%	32.37%
TIP	ISHARES US TREAS	0.28%	0.91%	9.22%
METALS				
GLD	SPDR GOLD TRUST	2.15%	7.03%	26.84%
SLV	ISHARES SILVER T	0.35%	6.72%	53.13%
JJC	IPATH DJ UBS COP	0.56%	0.56%	109.28%



ETF PORT 100 INDEX™

102.89 ↑ 1.33

The ETF Port 100 Index is a correlation-weighted index of all ETFs which trade over 100,000 shares on an average daily basis over the last 100 days, and have \$100 million or more in total funds under management. The index gives an indication of the overall direction of the investable asset classes represented by this diverse array of ETFs. [Click here](#) for more information on the index.

Week Percent Change	1.31%
Expense Ratio	0.43
Dividend	1.80%
Corr (SPY)	0.91
QTD	1.32%
YTD	15.04%

ETF PORT 100 INDEX

TOP MOVERS					
TICKER	FUND NAME	CLOSE	WK % CHG	NAV	YTD
URE	PROSHARES ULTRA	5.99	12.17%	5.83	-2.80%
TYH	TECH BULL 3X	162.17	10.41%	161.99	197.33%
EDC	EMER MKT BULL 3X	152.39	9.81%	152.40	195.37%
UYM	PROSHARES ULTRA	30.40	7.93%	29.92	113.51%
ICF	ISHARES-REALTY M	49.54	7.37%	49.54	17.20%

ETF OPTIONS

The VIX advanced 3.75% in a week that saw equity prices rally in the 2.5%-3% range. A Thursday sell-off following a Monday rally may have allowed more uncertainty to creep in as investors conjecture the next move in the market. While volume was very lethargic again this Friday, certain trades stuck out that echo the uncertainty in direction. A week before options expiration, the Nov 110 straddle traded approx 70K times Friday. In EEM, the Jan '10 straddle traded 11K times. Straddles allow investors to gain from a movement up or down, and a general increase in volatility. The Nov and Dec 23 Calls (long play on US dollar) continued to trade heavy in UUP (US dollar ETF). Remember, we saw huge trades go up on the lines the previous week as the issuer ran out of authorized shares to sell. 400K Nov 23 Calls on Wed the 4th, and have been active since.

SECURITY VOLATILITY SNAPSHOT

SYMBOL	DESCRIPTION	10 DAY	30 DAY	60 DAY	180 DAY
BROAD					
SPY	SPDR TRUST SER 1	15.61	19.02	17.79	20.76
EFA	ISHARES-MSCI EAF	20.21	24.33	21.66	25.63
EEM	ISHARES-EMG MKT	27.66	33.81	29.20	32.97
QQQQ	POWERSH-QQQ	15.37	18.34	18.20	20.14
SECTOR					
SLV	ISHARES SILVER T	33.66	33.23	31.31	32.95
XLF	SPDR-FINL SELECT	28.60	33.71	33.83	45.00
RSX	MKT VECT-RUSSIA	40.97	54.10	48.19	52.33
PNX	PHOENIX COS	107.19	105.19	106.40	111.25
OIL	IPATH GS CRD OIL	29.17	31.19	38.55	39.95
UUP	POWERSHARES DB U	20.27	12.79	9.67	10.92

ACTIVE ETF OPTIONS

SYMBOL	DESCRIPTION	MONTH	STRIKE	PUT/ CALL	VOLUME
BROAD BASED					
SPY	SPDR TRUST SER 1	Dec	109	Put	117K
SPY	SPDR TRUST SER 1	Nov	110	Call	77K
SPY	SPDR TRUST SER 1	Nov	110	Put	77K
SPY	SPDR TRUST SER 1	Jun	104	Put	71K
SPY	SPDR TRUST SER 1	Jun	94	Put	71K
SPY	SPDR TRUST SER 1	Nov	109	Put	70K
SPY	SPDR TRUST SER 1	Dec	105	Put	62K
UUP	POWERSHARES DB	Dec	23	Call	58K
SPY	SPDR TRUST SER 1	Nov	111	Call	54K
SPY	SPDR TRUST SER 1	Nov	108	Put	50K
OTHER NOTABLES					
UUP	POWERSHARES DB	Nov	23	Call	25K
GLD	SPDR GOLD TRUST	Nov	108	Put	17K
EEM	ISHARES-EMG MKT	Jan '11	39	Put	18K
EEM	ISHARES-EMG MKT	Jan '11	39	Call	18K

ETFs IN FOCUS

GDXJ

Market Vectors Junior Gold Miners ETF

Van Eck Global launched a new ETF this week, segmenting investment in gold miners to the “juniors” with their launch of the Market Vectors Junior Gold Miners ETF (GDXJ). The launch of the new ETF comes as gold bullion broke above \$1,100 earlier this week, and the stocks of mining companies gained. The new ETF invests in small and medium capitalization companies that derive at least 50% of their revenue from gold or silver mining. In contrast to the popular Market Vectors Gold Miners ETF (GDX) with a weighted average market capitalization of \$15.2 billion, GDXJ has a weighted average market capitalization of only \$850 million. The companies that compose GDXJ, the “juniors” are generally in the early stages of development and offer the possibility for exciting gains, although such companies can exhibit much higher volatility than the more established mining companies.

The current environment, with the price of the metal on a climb, and capital moving into the gold mining sector, may be just the right stage for these juniors to experience gains. Specifically, for early-stage commodity exploration companies, these are extremely risky investments, as many of the companies comprising GDXJ are focused heavily on exploration, which, for many of these companies, may never yield results, i.e. finding a large new deposit. However, as the search for new supplies is on to keep pace with the rising demand around the globe, these companies are exactly the ones who are poised for the sharpest gains. Furthermore, especially during recovery periods it is often the smallest companies that are most able to readily adapt and will experience the strongest growth.

GDXJ has a nearly 63% allocation to Canadian companies, and a 21% allocation to U.S.-based companies and Australia only 12%. For comparison, GDX, with a 59% allocation to Canada, 13% to the U.S. and nearly 14% allocation to South Africa. This is in contrast to GDXJ, which has only a 2% allocation to South Africa. The top holdings of the fund are listed in the chart below. The fund currently has a total of 38 constituents, with the top ten holdings making up nearly 46% of the fund’s holdings. The fund’s weightings are calculated using a float-adjusted market capitalization weighting methodology. The market capitalizations of the companies included in the index range from \$190 million to \$1.25 billion.

Overall, miners have outpaced the gains in the spot price of the metal, with GDX outperforming GLD by over 20% year-to-date. Investors have shown strong interest both in GLD and GDX and it can be expected that GDXJ will be popular with investors. The fund showed strong opening day volume, trading nearly 1.4 million shares Wednesday. The fund’s expense ratio is 0.60%

25.43	N/A
Week Percent Change	N/A
Yield	N/A
NAV	25.29
NAV Change	N/A
Premium/Discount	0.55%
52 Week High	27.00
52 Week Low	24.65
QTD	N/A
YTD	N/A
Average Volume (3 Mo)	N/A
Market Cap	19,072,500
Total Fund Assets (\$M)	N/A
Inception Date	11/11/2009
Underlying Index	MVGDJX
Tracking Error	N/A
Expense Ratio	0.60

TOP TEN HOLDINGS

TICKER	COMPANY NAME	WEIGHT
CDE	Coeur d'Alene Mines Corp	6.45%
SSRI	Silver Standard Resources Inc	5.43%
NGD	New Gold Inc	5.23%
HL	Hecla Mining Co	5.12%
GRS	Gammon Gold Inc	4.75%
AGI	Alamos Gold Inc	4.34%
SVM	Silvercorp Metals Inc	3.83%
SMF	SEMAGO Inc	3.80%
EGU	European Goldfields Limited	3.49%
GSS	Golden Star Resources Ltd	3.24%

Managing ETF Portfolios since 2001

Our objective is to produce positive returns with less risk in all market conditions.

Request a complimentary portfolio review.



CHART OF THE WEEK

XHB

SPDR S&P Homebuilders ETF



ETF NEWS IN BRIEF

ETF/ETN ASSETS RISE BY OVER \$8.8 BILLION IN OCTOBER

Net asset flows of just nearly \$9 billion into U.S.-listed exchange-traded funds and notes during the month of October bring the year-to-date total inflows up to \$72.2 billion. Both the categories of long global equity and long fixed income ETFs continue to see strong inflows. Long equity U.S. equity ETFs, however, had outflows of \$4.9 billion during the month of October, following September's net outflows of \$1.1 billion. Long leveraged commodity ETFs were the only other category that experienced net outflows during the month of October. Long leveraged U.S. equity ETFs, which had shown redemptions for the past few months, showed net inflows of \$93 million in October, although the category still has net outflows year-to-date. Overall, ETF/ETN assets are at \$707 billion, the total number of U.S.-listed ETF/ETNs at 880. Of these less than half, only 401 have assets in excess of \$100 million.

SNAPSHOT

Continued from page 1.

... (0.75%), needing a strong rally on Friday to avoid posting negative numbers. Staying along the lines of exceptions to last week's trends, REITS (IYR) surged 6.2% while Homebuilders (XHB) trailed the S&P 500, even as Toll Brothers jumped 12% on a 42% increase in luxury home orders.

Commodity futures were unable to gain any ground on the back of equity price rallies for the second straight week. The energy-heavy S&P GSCI Commodity Index (GSG) fell 0.7% as Crude Oil (USO) prices dropped off by 1.4% and Natural Gas prices (UNG) fell 4.9%. Copper used a 1.25% rally on Friday to close up 0.5% for the week. The correlations between metals and equities have begun to breakdown in recent weeks. While not taking part in equity rallies of late, copper had proven somewhat resilient to sell-offs as well. Grain prices (DBA) remained stable for the week, even as wheat prices moved higher by 8% for the week.

UPDATES ON ACTIONABLE IDEAS

PERFORMANCE UPDATE ON ETF PORT ACTIONABLE IDEAS AS OF FRIDAY'S CLOSE

TICKER	FUND NAME	DATE	PRICE	CURRENT PRICE	GAIN/LOSS
FXA	CRYSHS-AUS DOL T	4/27/2009	72.32	93.54	29.34%
Commodity price inflation coupled with central bank policies should benefit					
UDN	POWERSHARES DB U	3/23/2009	25.60	28.50	11.33%
Save for a significant break in equity markets we expect the dollar to decline					
SHY	ISHARES 1-3 YR	3/16/2009	83.98	84.04	0.07%
A conservative play					
LQD	ISHARES-IBOXX IV	3/9/2009	93.1	106.01	13.87%
The spread between corporate and Treasuries is not sustainable					
DBA	POWERSHARES DB A	3/9/2009	23.4	25.55	9.19%
Agriculture commodities are ready to shine					
GSG	ISHARES S&P GSCI	3/2/2009	24.08	31.24	29.73%
The fundamentals are supporting commodities, which may have found a bottom					
SSO	PROSHARES ULTRA	3/2/2009	17.31	36.73	112.19%
A good play for a short-term bear market rally; update on 3/27: cut position by half					
IBB	ISHARES-NDQ BIOT	2/23/2009	70.02	78.21	11.70%
Biotech is well positioned for a declining economic environment					
XRT	SPDR S&P RETAIL	2/23/2009	19.89	35.41	78.03%
Retail has been outperforming this year despite consumer spending declines					
JJC	IPATH DJ UBS COP	2/16/2009	21.74	41.04	88.78%
There is support based on China's stimulus and the lows are likely in for cooper					
XLU	SPDR-UTIL SELECT	2/6/2009	29.89	29.36	-1.77%
Utilities sector is actually adding jobs					
MBG	SPDR-BAR MORT BK	2/6/2009	25.91	27.03	4.32%
Stimulus will help the market over the economy					
IPE	SPDR BAR CAP TIP	2/6/2009	48.05	51.66	7.51%
Inflation will ultimately come					
PHO	POWERSH-WATER RE	1/30/2009	12.66	16.43	29.78%
Water is the new oil; an infrastructure play					
XLB	SPDR-MATERIALS	1/30/2009	21.06	32.01	51.99%
An infrastructure play					
XLF	SPDR-FINL SELECT	1/30/2009	9.24	14.66	58.66%
Not necessarily a buy, but will outperform on a bounce					

This information neither is, nor should be construed, as an offer, or a solicitation of an offer, to buy or sell securities by ETF Port, LLC. ETF Port, LLC does not offer or provide any investment advice or opinion regarding the nature, potential, value, suitability, or profitability of any particular investment or investment strategy, and you shall be fully responsible for any investment decisions you make, and such decisions will be based solely on your evaluation of your financial circumstances, investment objectives, risk tolerance, and liquidity needs. Any investment carries risk. Past performance is not indicative of future results.